



JAMES A. NOYES, Director

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"Enriching Lives"

900 SOUTH FREMONT AVENUE
ALHAMBRA, CALIFORNIA 91803-1331
Telephone: (626) 458-5100
www.ladpw.org

ADDRESS ALL CORRESPONDENCE TO:
P.O. BOX 1460
ALHAMBRA, CALIFORNIA 91802-1460

IN REPLY PLEASE
REFER TO FILE: **PM-2**

December 23, 2003

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**LAC+USC MEDICAL CENTER OUTPATIENT BUILDING
EARTHQUAKE RECOVERY PROJECT
AWARD CONSTRUCTION CONTRACT
SPECS. 5579; LACO 4711; DSR 98108
SUPERVISORIAL DISTRICT 1
3 VOTES**

**JOINT RECOMMENDATION WITH THE CHIEF ADMINISTRATIVE OFFICER THAT
YOUR BOARD:**

1. Approve the revised total project budget of \$2,467,300 for the repair of the LAC+USC Medical Center Outpatient Building.
2. Find that Perera Construction and Design, Inc., is the lowest responsible and responsive bidder, and award and authorize the Director of Public Works to execute a construction contract in the form previously approved by County Counsel, to Perera for the LAC+USC Medical Center Outpatient Building project for \$1,310,000, and establish the effective contract date following receipt of approved Faithful Performance and Labor and Materials Bonds and insurance certificates filed by the contractor.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approving the recommended actions will provide construction to repair the LAC+USC Medical Center Outpatient Building earthquake damage.

The LAC+USC Medical Center Outpatient Building is a four-story building with a basement, totaling 230,000 square feet, and houses general and specialty medical clinics for the General Hospital. The building provides services to approximately 540,000 patients annually. As a result of the Northridge earthquake, the building sustained damage to concrete shear walls on the interior and exterior of the building. This project will repair the earthquake damage by epoxy injecting cracks, replacing cracked walls, providing additional concrete shear walls to strengthen the building, and painting the exterior. The project also includes accessibility features for disabled persons as required by the State of California and the Federal Americans with Disabilities Act for structural repair projects in existing buildings.

The baseline construction schedule as required in the project specifications has been prepared by Perera. The schedule has been reviewed and approved by Public Works.

Implementation of Strategic Plan Goals

This action meets the County's Strategic Plan Goal of Service Excellence by taking appropriate actions to complete the project and provide the community with a structurally sound Outpatient Building.

FISCAL IMPACT/FINANCING

The recommended construction contract with Perera is for \$1,310,000, including provisions to perform some work components at night. Since Perera's bid was less than Public Works' fair construction cost estimate of \$1,520,400 to \$1,858,200, an extensive review and evaluation of Perera's bid package was conducted to confirm their understanding of the work and accuracy of their bid. Public Works concluded from its review that Perera demonstrated an acceptable level of knowledge of the work and we received a conformation of Perera's bid in writing. As a result, the scheduled award date for this project was delayed to January 6, 2004. Public Works now recommends awarding a construction contract to Perera.

Repairing the facility is funded through the FEMA Grant Acceleration Program and net County cost commitment, as appropriate. Due to the performance of work at night, consultant inspection services will be used. Thus, \$105,000 is reallocated from County

services to consultant services and increased by \$33,000 for a total of \$138,000 to cover the cost increase for inspection at night. Sufficient funds are available in the Federal and State Disaster Aid Budget to cover the total estimated project cost of \$2,467,300. The Project Schedule and Budget Summary are included in Enclosure A.

A change order contingency fund of \$278,700 is included in the project budget. No expenditures from the fund will be made without the Chief Administrative Office's review and authorization.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

A standard contract, in the form previously approved by County Counsel, will be used. The standard Board-directed clauses that provide for contract termination, renegotiation, and hiring qualified displaced County employees will be included in the contract.

As requested by your Board on August 12, 1997, and as a threshold requirement for consideration of contract award, Perera is willing to consider Greater Avenues for Independence Program/General Relief Opportunity for Work participants for future employment.

The project specifications contain provisions requiring the contractor to report solicitations of improper consideration by County employees and allowing the County to terminate the contract if it is found that the contractor offered or gave improper consideration to County employees.

As required by your Board, language has been incorporated into the project specifications stating that the contractor shall notify its employees, and shall require each subcontractor to notify its employees, about Board Policy 5.135, the Safely Surrendered Baby Law, and that they may be eligible for the Federal Earned Income Credit under the Federal income tax laws.

Perera is in full compliance with Los Angeles County Code Chapter 2.200 (Child Support Compliance Program) and Chapter 2.203 (Contractor Employee Jury Service Program).

Perera, as required on all publicly funded projects in excess of \$1,000, will be required to pay prevailing State wage rates to all persons employed on the project.

ENVIRONMENTAL DOCUMENTATION

This project is statutorily exempt pursuant to Public Resources Code, Section 21172, which allows for the repair, maintenance, or restoration of public facilities damaged as a result of a declared disaster. FEMA has determined the project qualifies as a categorical exclusion under the National Environmental Policy Act in accordance with Part 10 of Title 44 of the Code of Federal Regulations.

CONTRACTING PROCESS

On September 2, 2003, your Board adopted plans and specifications for the project at an estimated construction cost between \$1,520,400 and \$1,858,200 and instructed the Executive Officer to advertise for construction bids. On October 1, 2003, six bids were received. Perera submitted a bid of \$1,310,000 to perform the work and was the apparent lowest responsible bidder meeting the criteria adopted by your Board. The bid results are summarized in Enclosure B.

Perera's Community Business Enterprise participation data and three-year contracting history with the County are on file with Public Works.

As requested by your Board on February 3, 1998, this contract opportunity was listed on the "Doing Business with the County" website.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The majority of the structural work items will be performed after the clinic hours of operation. The Outpatient Building will be operational with localized construction impacts. The project specifications include language instructing the contractor to coordinate construction activities with Public Works to minimize disruption of operations. Health Services is aware of the anticipated limited impacts and is prepared to modify its current operations in support of this construction. All construction activities will be coordinated with the LAC+USC Medical Center Replacement Project Team.

The Honorable Board of Supervisors
December 23, 2003
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CONCLUSION

Please return one adopted copy of this letter to CAO and Public Works.

Respectfully submitted,

JAMES A. NOYES
Director of Public Works

DAVID E. JANSSEN
Chief Administrative Officer

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cc: County Counsel
Department of Health Services
Department of Public Social Services (GAIN/GROW Program)

December 23, 2003

ENCLOSURE A

**LAC+USC MEDICAL CENTER OUTPATIENT BUILDING
EARTHQUAKE RECOVERY PROJECT
AWARD CONSTRUCTION CONTRACT
SPECS. 5579; LACO 4711; DSR 98108**

I. PROJECT SCHEDULE

Project Activity	Scheduled Completion Date	Revised Completion Date
Project Program	10/25/00*	N/A
Design		
Contract Execution	08/22/02*	N/A
Construction Document Submittal	04/21/03*	N/A
Jurisdictional Approvals	06/30/03*	N/A
Construction Bid and Award	10/07/03	01/06/04
Construction		
Substantial Completion	10/01/04	12/15/04
Acceptance	12/15/04	02/09/05

*Indicates completed activity.

II. PROJECT BUDGET SUMMARY

Budget Category	Project Budget	Impact of this Action	Revised Project Budget
Construction			
(a) Construction	\$1,858,200	\$ (548,200)	\$ 1,310,000
(b) Change Orders (20 percent)	<u>278,700</u>	-0-	<u>278,700</u>
Subtotal	\$2,136,900	\$ (48,200)	\$ 1,588,700
Consultant Services			
(a) Design Services	\$ 233,800	-0-	\$ 233,800
(b) Construction Management	291,600	-0-	291,600
(c) Survey, Testing, & Inspections	<u>39,300</u>	<u>138,000</u>	<u>177,300</u>
Subtotal	\$ 564,700	\$ 138,000	\$ 702,700
Miscellaneous Expenditures			
(a) Print/Blueprinting	\$ 2,500	-0-	\$ 2,500
(b) Legal Advertising	5,000	-0-	5,000
Jurisdictional Review and Plan Check	\$ 5,900	-0-	\$ 5,900
County Services	\$ 267,500	\$ (105,000)	\$ 162,500
TOTAL	\$2,982,500	\$ (515,200)	\$ 2,467,300

December 23, 2003

ENCLOSURE B

**LAC+USC MEDICAL CENTER OUTPATIENT BUILDING
EARTHQUAKE RECOVERY PROJECT
AWARD CONSTRUCTION CONTRACT
SPECS. 5579; LACO 4711; DSR 98108**

The project will repair the earthquake damage to the LAC+USC Medical Center Outpatient Building. The repair consists of epoxy injecting cracks, replacing cracked walls, providing additional concrete shear walls, painting the exterior, and accessibility features for disabled persons.

Bid Opening Date: October 1, 2003

Bid Summary:

<u>Bidder</u>	<u>Total Lump Sum Bid</u>
Perera Construction & Design, Inc.	\$1,310,000
Emma Corporation	\$1,332,000
AWI Builders, Inc.	\$1,475,822
Tower Engineering	\$1,498,000
Gonzales Construction	\$1,809,000
Basec, Inc.	\$2,188,000

- NOTES: 1. The low bid was determined based on the combined sum of the base contract lump sum, all alternates, and unit price amounts.
2. The contract will be issued for the total bid indicated above which includes the lump sum bid plus the cost for one alternate.